

GODSHILL PARISH COUNCIL RISK MANAGEMENT POLICY

1. Introduction

1.1. Godshill Parish Council has adopted this risk management policy in accordance with guidance set out in Governance and Accountability for Local Councils.

1.2. This document sets out the:

- Parish Council's Risk Management Policy
- Objectives of Risk Management
- Types of Risk
- Roles and responsibilities
- Risk Management process
- Approach to future monitoring

1.3. This policy aims to further develop risk management and raise its profile across the Parish Council by:

- Integrating risk management into the culture of the organisation;
- Embedding risk management through the ownership and management of risk as part of all decision making processes.
- Managing risk in accordance with best practice.

2. The Policy

2.1. Godshill Parish Council recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

2.2. The Parish Council is aware that some risks can never be eliminated fully and its strategy provides a structured, systematic and focussed approach to managing risk.

2.3. Risk Management is an integral part of the Parish Council's management processes.

3. Objectives of Risk Management

3.1. The objectives of risk management are to:

- Identify, evaluate and manage the opportunities and risks to which the Parish Council is exposed, at strategic and operational level;
- To protect physical assets, promote employee and public safety and maximise resources;
- Embed risk management into day-to-day management and working arrangements;
- Enable effective and safe delivery of services to local people and to

minimise the risk of significant failures

3

- Enable the identification of opportunities and risks associated with the Council's budget options and business planning to ensure that opportunities and risks are controlled;

- Enable better, more informed decision making at all levels;

- Review, evaluate and implement issues identified from past experience;

- To promote good corporate governance;

3.2. It is the responsibility of all Members and staff to have regard for risk management whilst carrying out their duties.

3.3. This Strategy will enable risks and opportunities to be identified, evaluated, controlled, monitored and reported.

3.4. Seek assurances that action(s) are being taken on risk related issues identified by auditors and inspectors.

4. Types of Risk

4.1. In order to manage risk, the Council needs to know what risks it faces. Identifying risks is therefore the first step in the risk management process.

4.2. The Council will identify the key risks to achieving its priorities and service objectives:

i. financial - loss of money;

ii. security - fraud, theft, embezzlement;

iii. property - damage to property;

iv. legal - breaking the law or being sued;

v. IT – failure of IT systems or misuse; and

vi. reputational – actions taken could harm the authority's public reputation

vii. loss of key staff.

5. Roles and Responsibilities for Risk Management

5.1. All Members and staff of the Parish Council are responsible for risk management.

5.2. All Members:

- Have collective responsibility in understanding the strategic risks which the Parish Council faces.

- Ensure that all identified risks have been considered in decision making and counter measures and controls are defined.

- Agree and publish a clear Risk Management Policy and oversee the effective management of risks by the Parish Clerk.
- Monitor the effectiveness of the Parish Council's risk management arrangements by reviewing any risk management reports to Council.

5.3. Parish Clerk:

- The lead officer for risk management and owner of the Risk Management Strategy.
- Has the responsibility to understand the strategic and operational risks that the Parish Council faces and to oversee the effective management of these risks.
- Leads on the corporate governance agenda which includes risk management and with the Council's Chair approve the Annual Governance Statement.
- Ensures that risks are fully considered in all strategic decision making and that the Risk Management Policy helps the Parish Council to achieve its objectives and protection of assets.
- Provides advice as to the legality of policy and service delivery and updates the Parish Council on the implications of new or revised legislation.
- Assesses and implements the Council's insurance requirements.

5.4. Parish Council:

- Support the Parish Clerk in all aspects of risk management.
- Understand the strategic and operational risks that the Parish Council faces.
- Ensure that a structured and systematic approach is in place for the identification, recording and reporting of risks and opportunities.
- Ensure that the arrangements for risk management and the associated risk registers are regularly reviewed.

5.5. Role of Internal Audit:

- Provide a scrutiny role by carrying out audits to provide independent assurance to Members, via the Internal Auditor's annual audit plan and post audit report that the necessary risk management systems are in place.

6.The Risk Management Process

The process will involve the following steps –

- (i) Identification of risks.
- (ii) Evaluation of risks into low, medium or high-risk categories.
- (iii) Identify means of mitigating each risk
- (iv) Maintenance of a Schedule of Risks on an ongoing basis.
- (v) The Parish Clerk will have responsibility for the monitoring of all risks contained in the Schedule of Risks.
- (vi) The Risk Management Policy and Schedule of Risks will be reviewed each year at the Annual General Meeting of the Parish Council.

Date of review: May 2026

Date of next review: May 2027